

110TH CONGRESS
1ST SESSION

H. R. 4247

To improve certain compensation, health care, and education benefits for individuals who serve in a reserve component of the uniformed services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 15, 2007

Mr. SMITH of Washington (for himself, Mr. ETHERIDGE, Mr. CROWLEY, Mr. MORAN of Virginia, Mr. GONZALEZ, Mrs. GILLIBRAND, Mr. PERLMUTTER, Mrs. TAUSCHER, Mr. TAYLOR, and Mr. ELLSWORTH) introduced the following bill; which was referred to the Committee on Armed Services, and in addition to the Committees on Ways and Means and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To improve certain compensation, health care, and education benefits for individuals who serve in a reserve component of the uniformed services, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Strengthening the Transition and Reintegration Of the

1 National Guard and Reserves Act” or the “STRONGR
2 Act”.

3 (b) TABLE OF CONTENTS.—The table of contents for
4 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Extension of transitional health care coverage to one year for members of reserve components for mental health care.
- Sec. 3. Increase in amount of basic educational assistance for members of the Selected Reserve and members of reserve components supporting contingency operations.
- Sec. 4. Nonreduction in pay while Federal employee is serving on active duty in a reserve component of the uniformed services.
- Sec. 5. Assistance for State and local governments that continue to pay employees who serve on active duty in a reserve component of the uniformed services.
- Sec. 6. Active-duty reserve component employee credit added to general business credit.

5 **SEC. 2. EXTENSION OF TRANSITIONAL HEALTH CARE COV-**
6 **ERAGE TO ONE YEAR FOR MEMBERS OF RE-**
7 **SERVE COMPONENTS FOR MENTAL HEALTH**
8 **CARE.**

9 Section 1145(a) of title 10, United States Code, is
10 amended in paragraph (3)—

- 11 (1) by inserting “(A)” after “(3)”; and
- 12 (2) by adding at the end the following new sub-
- 13 paragraph:

14 “(B) In addition to the period described in sub-

15 paragraph (A), transitional health care shall be

16 available for an additional 180 days, for mental

17 health care only, to a member of a reserve compo-

18 nent described in paragraph (2)(B). The additional

1 180 days shall begin at the end of the period de-
 2 scribed in subparagraph (A).”.

3 **SEC. 3. INCREASE IN AMOUNT OF BASIC EDUCATIONAL AS-**
 4 **SISTANCE FOR MEMBERS OF THE SELECTED**
 5 **RESERVE AND MEMBERS OF RESERVE COM-**
 6 **PONENTS SUPPORTING CONTINGENCY OPER-**
 7 **ATIONS.**

8 (a) MEMBERS OF SELECTED RESERVE.—

9 (1) INCREASE IN AMOUNT OF ASSISTANCE.—

10 Section 16131(b) of title 10, United States Code, is
 11 amended—

12 (A) in paragraph (1), by striking “at the
 13 following rates” and all that follows through the
 14 end and inserting “at the rate provided under
 15 paragraph (2).”; and

16 (B) in paragraph (2), by striking all and
 17 inserting the following:

18 “(2)(A) Educational assistance provided under this
 19 chapter shall be paid at a rate equal the applicable per-
 20 centage under subparagraph (B) of the rate provided
 21 under section 3015(a) of title 38 for an approved program
 22 of education pursued on a full-time basis.

23 “(B) The applicable percentage under this subpara-
 24 graph is—

1 “(i) 50 percent for each month in which the in-
2 dividual pursues an approved program of education
3 on a full time basis;

4 “(ii) 37.5 percent for each month in which the
5 individual pursues an approved program of edu-
6 cation on a three-quarter-time basis;

7 “(iii) 25 percent for each month in which the
8 individual pursues an approved program of edu-
9 cation on a half-time basis; and

10 “(iv) an appropriately reduced percent, as de-
11 termined under regulations which the Secretary of
12 Veterans Affairs shall prescribe, for each month in
13 which the individual pursues an approved program
14 of education on less than a half-time basis, except
15 that no payment may be made to an individual for
16 a month in which the individual pursues such a pro-
17 gram on less than a half-time basis if tuition assist-
18 ance is otherwise available to the individual for such
19 pursuit from the military department concerned.”.

20 (2) EFFECTIVE DATE.—The amendments made
21 by paragraph (1) shall apply with respect to an edu-
22 cational assistance allowance under section 16131(b)
23 of such title paid for months beginning after the
24 date of the enactment of this Act.

1 (b) RESERVE COMPONENTS SUPPORTING CONTIN-
 2 GENCY OPERATIONS.—

3 (1) INCREASE IN AMOUNT.—Section
 4 16162(c)(4) of title 10, United States Code, is
 5 amended—

6 (A) in subparagraph (A) by striking “40
 7 percent” and inserting “60 percent”; and

8 (B) in subparagraph (B) by striking “60
 9 percent” and inserting “70 percent”.

10 (2) EFFECTIVE DATE.—The amendments made
 11 by paragraph (1) shall apply with respect to an edu-
 12 cational assistance allowance under section
 13 16162(c)(4) of such title paid for months beginning
 14 after the date of the enactment of this Act.

15 **SEC. 4. NONREDUCTION IN PAY WHILE FEDERAL EM-**
 16 **PLOYEE IS SERVING ON ACTIVE DUTY IN A**
 17 **RESERVE COMPONENT OF THE UNIFORMED**
 18 **SERVICES.**

19 (a) IN GENERAL.—Subchapter IV of chapter 55 of
 20 title 5, United States Code, is amended by adding at the
 21 end the following new section:

22 **“§ 5538. Nonreduction in pay while serving on active**
 23 **duty in a reserve component**

24 “(a) An employee who is also a member of a reserve
 25 component and is absent from a position of employment

1 with the Federal Government under a call or order to
2 serve on active duty for a period of more than 30 days
3 shall be entitled to receive, for each pay period described
4 in subsection (b), an amount equal to the amount by
5 which—

6 “(1) the amount of civilian basic pay that would
7 otherwise have been payable to the employee for
8 such pay period if the employee’s civilian employ-
9 ment with the Government had not been interrupted
10 by the service on active duty, exceeds (if at all)

11 “(2) the amount of military compensation that
12 is payable to the employee for the service on active
13 duty and is allocable to such pay period.

14 “(b)(1) Amounts under this section shall be payable
15 with respect to each pay period (which would otherwise
16 apply if the employee’s civilian employment had not been
17 interrupted) that occurs—

18 “(A) while the employee serves on active duty
19 for a period of more than 30 days;

20 “(B) while the employee is hospitalized for, or
21 convalescing from, an illness or injury incurred in,
22 or aggravated during, the performance of such active
23 duty; or

1 “(C) during the 14-day period beginning at the
2 end of such active duty or the end of the period re-
3 ferred to in subparagraph (B).

4 “(2) Paragraph (1) shall not apply with respect to
5 a pay period for which the employee receives civilian basic
6 pay (including by taking any annual, military, or other
7 paid leave) to which the employee is entitled by virtue of
8 the employee’s civilian employment with the Government.

9 “(c) Any amount payable under this section to an em-
10 ployee shall be paid—

11 “(1) by the employing agency of the employee;

12 “(2) from the appropriation or fund that would
13 be used to pay the employee if the employee were in
14 a pay status; and

15 “(3) to the extent practicable, at the same time
16 and in the same manner as would civilian basic pay
17 if the employee’s civilian employment had not been
18 interrupted.

19 “(d) In consultation with Secretary of Defense, the
20 Office of Personnel Management shall prescribe such reg-
21 ulations as may be necessary to carry out this section.

22 “(e)(1) In consultation with the Office, the head of
23 each agency referred to in section 2302(a)(2)(C)(ii) shall
24 prescribe procedures to ensure that the rights under this
25 section apply to the employees of such agency.

1 “(2) The Administrator of the Federal Aviation Ad-
2 ministration shall, in consultation with the Office, pre-
3 scribe procedures to ensure that the rights under this sec-
4 tion apply to the employees of that agency.

5 “(f) For the purpose of this section—

6 “(1) the terms ‘active duty for a period of more
7 than 30 days’, ‘member’, and ‘reserve component’
8 have the meanings given such terms in section 101
9 of title 37;

10 “(2) the term ‘civilian basic pay’ includes any
11 amount payable under section 5304;

12 “(3) the term ‘employing agency’, as used with
13 respect to an employee entitled to any payments
14 under this section, means the agency or other entity
15 of the Government (including an agency referred to
16 in section 2302(a)(2)(C)(ii)) with respect to which
17 the employee has reemployment rights under chapter
18 43 of title 38; and

19 “(4) the term ‘military compensation’ has the
20 meaning given the term ‘pay’ in section 101(21) of
21 title 37.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 at the beginning of chapter 55 of title 5, United States
24 Code, is amended by inserting after the item relating to
25 section 5537 the following new item:

“5538. Nonreduction in pay while serving on active duty in a reserve component.”.

1 (c) APPLICATION OF AMENDMENT.—Section 5538 of
 2 title 5, United States Code, as added by subsection (a),
 3 shall apply with respect to pay periods (as described in
 4 subsection (b) of such section) beginning on or after the
 5 date of the enactment of this Act.

6 **SEC. 5. ASSISTANCE FOR STATE AND LOCAL GOVERN-**
 7 **MENTS THAT CONTINUE TO PAY EMPLOYEES**
 8 **WHO SERVE ON ACTIVE DUTY IN A RESERVE**
 9 **COMPONENT OF THE UNIFORMED SERVICES.**

10 (a) IN GENERAL.—Chapter 17 of title 37, United
 11 States Code, is amended by adding at the end the fol-
 12 lowing new section:

13 **“§ 911. Assistance for State and local governments**
 14 **that continue to pay employees who**
 15 **serve on active duty**

16 “(a) CONTINUATION OF CIVILIAN BASIC PAY.—It is
 17 the purpose of this section to encourage States and local
 18 governments to continue to pay a portion of the civilian
 19 compensation of those employees who are also members
 20 of a reserve component and are absent from a position
 21 of employment with the State or local government under
 22 a call or order to serve on active duty for a period of more
 23 than 30 days so that the employees receive compensation

1 in an amount that, when taken together with their military
2 pay, is at least equal to their civilian compensation.

3 “(b) REIMBURSEMENT OFFERED.—(1) At the re-
4 quest of a State or local government that continues to pay
5 all or a portion of the civilian compensation of an employee
6 described in subsection (a), the Secretary concerned shall
7 reimburse the State or local government for 50 percent
8 of the civilian compensation paid by the State or local gov-
9 ernment for each pay period described in subsection (c),
10 but not to exceed 50 percent of the difference (if any) be-
11 tween—

12 “(A) the amount of civilian compensation that
13 would otherwise have been payable to the employee
14 for such pay period if the employee’s civilian employ-
15 ment with the State or local government had not
16 been interrupted by the service on active duty; and

17 “(B) the amount of military pay that is payable
18 to the employee for the service on active duty and
19 is allocable to such pay period.

20 “(2) If the pay periods described in subsection (c)
21 extend more than nine consecutive months after the first
22 day of the first month during which the employee began
23 to serve on active duty for a period of more than 30 days,
24 the reimbursement rate shall become 100 percent for the
25 subsequent payments. However, as is the case under para-

1 graph (1), reimbursement shall be provided only for the
2 difference (if any) between—

3 “(A) the amount of civilian compensation that
4 would otherwise have been payable to the employee
5 for such pay period if the employee’s civilian employ-
6 ment with the State or local government had not
7 been interrupted by the service on active duty; and

8 “(B) the amount of military pay that is payable
9 to the employee for the service on active duty and
10 is allocable to such pay period.

11 “(c) PAY PERIODS.—Reimbursement shall be pro-
12 vided under this section with respect to each pay period
13 (which would otherwise apply if the employee’s civilian em-
14 ployment had not been interrupted) that occurs—

15 “(1) while the employee serves on active duty
16 for a period of more than 30 days;

17 “(2) while the employee is hospitalized for, or
18 convalescing from, an illness or injury incurred in,
19 or aggravated during, the performance of such active
20 duty; or

21 “(3) during the 14-day period beginning at the
22 end of such active duty or the end of the period re-
23 ferred to in subparagraph (B).

24 “(d) EFFECT OF FAILURE TO RETURN TO EMPLOY-
25 MENT.—(1) If an employee described in subsection (a),

1 with respect to whom reimbursement is provided to a
2 State or local government under this section, fails to re-
3 port or apply for employment or reemployment with the
4 State or local government by the end of the period referred
5 to in subsection (c)(3), the employee shall refund to the
6 Secretary concerned the total amount of the reimburse-
7 ment provided with respect to the employee.

8 “(2) Subject to paragraph (3), an obligation to re-
9 fund moneys to the United States imposed under para-
10 graph (1) is for all purposes a debt owed to the United
11 States.

12 “(3) The Secretary concerned may waive, in whole
13 or in part, a refund required under paragraph (1) if the
14 Secretary concerned determines that recovery would be
15 against equity and good conscience or would be contrary
16 to the best interests of the United States.

17 “(4) A discharge in bankruptcy under title 11 that
18 is entered less than five years after the end of the period
19 referred to in subsection (c)(3) does not discharge the em-
20 ployee from a debt arising under paragraph (1). This
21 paragraph applies to any case commenced under title 11
22 after the date of the enactment of this section.

23 “(e) REGULATIONS.—The Secretaries concerned shall
24 prescribe regulations to carry out this section.

25 “(f) DEFINITIONS.—In this section:

1 “(1) The term ‘civilian compensation’ means
2 the wages or salary that an employee of a State or
3 local government normally receives from the employ-
4 ee’s employment by the State or local government.

5 “(2) The term ‘local government’ means an
6 agency or political subdivision of a State.

7 “(3) The term ‘military pay’ has the meaning
8 given the term ‘pay’ in section 101(21) of this title.

9 “(4) The term ‘State’ means each of the several
10 States of the United States, the District of Colum-
11 bia, the Commonwealth of Puerto Rico, Guam, the
12 Virgin Islands, and other territories or possessions
13 of the United States.”.

14 (b) CLERICAL AMENDMENT.—The table of sections
15 at the beginning of chapter 17 of title 37, is amended by
16 inserting after the item relating to section 909 the fol-
17 lowing new item:

 “911. Assistance for State and local governments that continue to pay employ-
 ees who serve on active duty.”.

18 (c) APPLICATION OF AMENDMENT.—Section 911 of
19 title 37, United States Code, as added by subsection (a),
20 shall apply with respect to pay periods (as described in
21 subsection (b) of such section) beginning on or after the
22 date of the enactment of this Act.

1 **SEC. 6. ACTIVE-DUTY RESERVE COMPONENT EMPLOYEE**
2 **CREDIT ADDED TO GENERAL BUSINESS**
3 **CREDIT.**

4 (a) ADDITION OF CREDIT.—Subpart D of part IV of
5 subchapter A of chapter 1 of the Internal Revenue Code
6 of 1986 (relating to business-related credits) is amended
7 by adding at the end the following new section:

8 **“SEC. 45N. ACTIVE-DUTY RESERVE COMPONENT EMPLOYEE**
9 **CREDIT.**

10 “(a) GENERAL RULE.—For purposes of section 38,
11 in the case of an employer, the active-duty reserve compo-
12 nent employee credit determined under this section for the
13 taxable year is an amount equal to 50 percent of the com-
14 pensation paid by the employer to an employee who is also
15 a member of a reserve component during the taxable year
16 when the employee was absent from employment for a rea-
17 son described in subsection (b).

18 “(b) LIMITATION.—The amount allowed as a credit
19 under subsection (a) shall not exceed 50 percent of the
20 difference (if any) between—

21 “(1) the amount of compensation that would
22 otherwise have been payable to the employee during
23 such absence if the employee’s employment with the
24 employer had not been interrupted by the employee’s
25 absence; and

1 “(2) the amount of military pay that is payable
2 to the employee during the absence.

3 “(c) COVERED PAY PERIODS.—Subsection (a) shall
4 apply with respect to an employee who is also a member
5 of a reserve component—

6 “(1) while the employee serves on active duty
7 for a period of more than 30 days;

8 “(2) while the employee is hospitalized for, or
9 convalescing from, an illness or injury incurred in,
10 or aggravated during, the performance of such active
11 duty; or

12 “(3) during the 14-day period beginning at the
13 end of such active duty or the end of the period re-
14 ferred to in paragraph (2).

15 “(d) DAYS NOT TAKEN INTO ACCOUNT.—No credit
16 shall be allowed under subsection (a) with respect to an
17 employee on any day on which the employee was not
18 scheduled to work (for a reason other than such service
19 on active duty) and ordinarily would not have worked.

20 “(e) DEFINITIONS.—For purposes of this section—

21 “(1) The terms ‘active duty for a period of
22 more than 30 days’, ‘member’, and ‘reserve compo-
23 nent’ have the meanings given such terms in section
24 101 of title 37, United States Code.

1 “(2) The term ‘compensation’ means any remuneration for employment, whether in cash or in kind, which is paid or incurred by a taxpayer and which is deductible from the taxpayer’s gross income under section 162(a)(1).”.

6 (b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 of such Code (relating to general business credit) is amended by striking “plus” at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting “, plus”, and by adding at the end the following new paragraph:

12 “(32) the active-duty reserve component employee credit determined under section 45N(a).”.

14 (c) CONFORMING AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 45M the following new item:

“Sec. 45N. Active-duty reserve component employee credit.”.

18 (d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

○